- Consum of Chair

COVINGTON & BURLING

UNION TRUST BUILDING

WASHINGTON, D. C. 20005

REPUBLIC 7-5900

June 3, 1967

John F. Kraft, Inc. 527 Madison Avenue New York, New York 10022

Re: Study No. 603/122

Dear Mr. Kraft:

This letter will review what I understand to be the current status of the survey of cognizance that you are undertaking for this firm as counsel for a number of cigarette companies.

In our discussion on June 2nd, you indicated to me that you were presently engaged in checking the design of your probability sample of the population, and that as soon as you could, you would forward to us a preliminary memorandum describing your design.

On the question of endeavoring to have the On the question of endeavoring to have the sub-groups of that population, e.g., male and female; age brackets 16 to 16, 18 to 20, 20 and above, you indicated that present indications were that on a sample of 3,000, the number likely to fall within the 16 to 18 group might not exceed 10 percent, or a sub-group aggregating approximately 300. In a preliminary way, we discussed the percentage of responses indicating cognizance both of the caution statement and of the problem of smoking and health. and it was left of the problem of smoking and health, and it was left that if, on a presently anticipated substantially high percentage of affirmative responses, the confidence intervals would not be too broad, you would be prepared as an expert witness to assert that even this small sub-group would permit a valid estimate of the state of cognizance of those two points among the entire population of people in that particular sub-group.

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In short, it was my feeling that whether the particular sub-group would yield a reliable estimate would be a matter for you to determine as the survey expert.

It is likewise understood that in this interviewing, the age bracket of the person to be interviewed (if such age bracket person were available in that household) would be determined in random fashion to permit adequate coverage, but that in no event would there be any proxy responses included in this survey.

You stated that you and your colleagues were working on the questionnaire and that we would be so-vised of the progress on it.

You further advised me that in undertaking this survey on behalf of this firm as counsel for various cigarette companies, you would assure that all working papers or other record materials in your organization would be so identified. You requested that the arrangement be a down payment of \$10,000, which, when promptly paid, would formally begin the project, with another \$10,000 when the Field Interviewing was ready to be begun, and the final payment upon delivery of the Report. The estimated cost was to be \$30,000 plus or minus 15 percent.

This morning we received your invoice covering this arrangement. In accordance with my undertaking, I shall have a check forwarded to you early next week for the down payment.

It was indeed a pleasure to talk with you yesterday.

With best regards.

Sincerely yours,

dgđ

bcc: Hon. Earle Clements
H. Henry Ramm, Esq.
/Frederick B. Hass, Esq.

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